

Michigan IV-D Child Support Manual
Michigan Department of Health and Human Services

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1. Background and Legal Summary

1.1 Background

The federal Office of Child Support Enforcement (OCSE) uses one submission process to administer the entire Federal Offset Program. The Federal Offset Program consists of:

- Federal income tax refund offset (known in Michigan as Federal Tax Refund Offset or FTRO);¹
- Federal Administrative Offset;
- Passport Denial;
- Multistate Financial Institution Data Match (MSFIDM);² and
- Federal insurance match (known in Michigan as Insurance Claims Data Match or ICDM).³

1.2 Legal Summary

The Federal Offset Program became law⁴ in 1981. Initially, this program was only applicable to cases where arrears had been assigned to the state.⁵ The federal government expanded the Federal Offset Program in 1984⁶ for use in cases where the arrears had not been assigned to the state.

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 amended the Social Security Act by adding 42 United States Code (USC) 652(k), which became effective October 1, 1997. The amendment provides for the denial, revocation, and restriction of U.S. passports.

The Bankruptcy Abuse Prevention and Consumer Protection Act became effective on October 17, 2005. The Bankruptcy Act expands the ability of the IV-D program to enforce child support cases after the non-custodial parent (NCP) has filed for bankruptcy protection. NCPs filing for bankruptcy protection on or after October 17, 2005 are no longer exempt from being submitted for passport denial.

The Deficit Reduction Act (DRA),⁷ enacted February 8, 2006, reduced the passport denial threshold for “arrearages of child support” from \$5,000 to \$2,500. This reduction was effective October 1, 2006.

42 USC 654(31) mandates that each state’s IV-D agency participate in the Passport Denial program.

The Western Hemisphere Travel Initiative (WHTI), part of the Intelligence Reform and Terrorism Prevention Act of 2004, required that by January 1, 2008, travelers to and from the Caribbean, Bermuda, Panama, Mexico, and

¹ Ref: [Section 6.21, “Tax Refund Offset,” of the Michigan IV-D Child Support Manual.](#)

² Ref: [Section 6.27, “Liens – FIDM/MSFIDM,” of the Michigan IV-D Child Support Manual.](#)

³ Ref: [Section 6.30, “Liens – Insurance,” of the Michigan IV-D Child Support Manual.](#)

⁴ Public Law (PL) 97-35, Section 2331

⁵ Ref: [Section 5.15, “Assignment of Support \(Certification/Decertification\),” of the Michigan IV-D Child Support Manual.](#)

⁶ PL 98-378

⁷ PL 109-171

Canada must have a passport or other secure, accepted document to enter or re-enter the United States.

This was a change from prior travel requirements. U.S. citizens entering the United States from countries within the Western Hemisphere were not required to have a passport for re-entry prior to January 1, 2008.

2. Passport Denial Eligibility Requirements

Effective October 1, 2006, the DRA allows an NCP to be submitted for the Passport Denial program when the arrears balance on his/her IV-D case(s) reaches the passport denial threshold of \$2,500. The Michigan Office of Child Support (OCS) does not submit non-IV-D cases for the Federal Offset Program.

An NCP who filed for bankruptcy prior to October 17, 2005 is not eligible for passport denial. Bankruptcy information is located on the *Member Demographics* (DEMO) screen in the Michigan Child Support Enforcement System (MiCSES). If the bankruptcy indicator is set to "Y" (Member in Bankruptcy), cases for that NCP cannot be submitted for passport denial; MiCSES will automatically exclude the case(s). For a submitted case in which the NCP's bankruptcy indicator on the DEMO screen changes from "N" (No Bankruptcy) to "Y," MiCSES will withdraw the individual from passport denial.

If an NCP filed for bankruptcy on October 17, 2005 or later, (s)he is eligible for passport denial. By setting the bankruptcy indicator to "R" (Relief from Stay) rather than "Y" for bankruptcies occurring on or after October 17, 2005, IV-D staff will ensure that the NCP remains eligible for passport denial.⁸

Once an NCP's arrears are certified,⁹ (s)he will remain in the Passport Denial program until all qualified arrears are reduced to zero, or (s)he is withdrawn from the program manually. MiCSES does not automatically withdraw an NCP when his/her qualified arrears fall below the \$2,500 passport denial threshold.

Michigan Compiled Law (MCL) 552.511(2) states that:

...an arrearage amount that arises at the moment a court issues an order imposing or modifying support, because the order relates back to a petition or motion filing date, shall not be considered as an arrearage for the purpose of initiating support enforcement measures, centralizing enforcement, or other action required or authorized in response to a support arrearage... unless the payer fails to become current with the court ordered support payments within 2 months after entry of the order imposing or modifying support.

⁸ Ref: [Action Transmittal \(AT\) 2008-014, REVISED: The Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 \(Bankruptcy Act\)](#).

⁹ Ref: Subsection 4 of this manual section for more information on certification.

Currently, MiCSES has no means of identifying how long an arrearage has existed before submitting an NCP for the Federal Offset Program.¹⁰ An NCP who has been denied a passport because his/her arrearage was submitted prior to the two-month period having elapsed has been submitted in error and may request an administrative review as described in the *Pre-Offset Notice* (PON).¹¹

3. Qualifying Debts for Passport Denial

For purposes of submittal to the Federal Offset Program, federal regulations¹² state that “past-due support” includes support owed to or on behalf of a qualified child,¹³ or a qualified child and the parent with whom the child is living if the same support order includes support for the child and the parent. OCS does not submit non-IV-D debts for passport denial.

MiCSES uses debt types to classify obligations.¹⁴ Each debt type is used for specific court-ordered obligations, as directed by state and federal laws and court rules. The debt types that qualify for passport denial are referenced in the *MiCSES Screen Description: DBTP – Debt Type Priority*.

MiCSES submits spousal support debt for the Federal Offset Program; however, MiCSES does **not** submit spousal support debt (or any other debt) when the case is coded as non-IV-D (“L” type case in the *Case Type* field on the *Case Member Details* [CASE] screen in MiCSES).¹⁵

As of February 13, 2009, MiCSES discontinued the submission of Medical Support – Medicaid (MD) and Payee Birth Expenses (PC) debt types for the Federal Offset Program.¹⁶

Refer to Section 5.10 of the *Michigan IV-D Child Support Manual*, [Exhibit 5.10E3](#), and to the *MiCSES Screen Description: DBTP – Debt Type Priority* for more information.

¹⁰ Help Desk ticket IT 21206 addresses the MCL requirement that arrears must be at least two months old.

¹¹ Ref: Subsection 4.3 of this manual section for more information on the PON.

¹² 45 Code of Federal Regulations (CFR) 301.1

¹³ Prior to October 1, 2007, a “qualified child” meant a child who was a minor, or who, while a minor, was determined to be disabled, and for whom a support order was in effect. Since the adoption of the DRA, debt submitted for FTRO is no longer restricted to that for a minor child.

¹⁴ Ref: [Section 5.10, “Debt Types,” of the Michigan IV-D Child Support Manual](#) and the [MiCSES Screen Description: DBTP – Debt Type Priority](#).

¹⁵ Ref: [Section 3.50, “Case Closure,” of the Michigan IV-D Child Support Manual](#) for the appropriate use of the “L” case type when there are continuing spousal support obligations.

¹⁶ Ref: [Section 4.25, “Birth Expenses,” of the Michigan IV-D Child Support Manual](#).

4. Interface With the Federal Offset Program

An NCP's arrears are certified for passport denial when they meet the passport denial threshold and eligibility requirements. The certification of an NCP's arrears indicates (s)he is eligible for the Federal Offset Program.

The submission and certification process used in passport denial is nearly identical to that used in FTRO. The exception is that for passport denial, the TANF¹⁷ and non-TANF arrears amounts are combined to reach the submission threshold amount, whereas FTRO certifies TANF and non-TANF arrearages separately. (If an NCP has multiple cases, the passport denial certification process combines all arrears [TANF and non-TANF] on multiple cases for the NCP as one submission.)

Additionally, while FTRO requires TANF arrears of \$150 and/or non-TANF arrears of \$500, the threshold for passport denial is \$2,500 (TANF and non-TANF combined).

Due to the similarity between the FTRO and passport denial processes, some subsections in this manual section reference Section 6.21 of the *Michigan IV-D Child Support Manual* for more information.

OCSE extracts the following from the Federal Offset Program file for cases that meet the passport denial threshold:

- NCP name;
- Social Security number (SSN);
- Place of birth;
- Date of birth; and
- Gender information.

OCSE submits this information to the U.S. Department of State. The U.S. Department of State matches every passport applicant against its database. If the U.S. Department of State finds a match, a Passport Denial Letter,¹⁸ which provides contact information for OCS Central Operations, is sent to the NCP denying his/her application. The IV-D program does not receive notice when an NCP's passport is denied.

4.1 Duplicate Members

MiCSES validates all SSNs before submitting for passport denial by ensuring the SSN is greater than zero and consists of nine digits (0-9). For passport denial submission, MiCSES combines all qualifying arrears for NCPs with different member IDs but with the same SSN. These NCPs are considered

¹⁷ TANF is Temporary Assistance for Needy Families. Ref: Section 5.15 of the *Michigan IV-D Child Support Manual* for more information on TANF and non-TANF arrears.

¹⁸ Ref: [Exhibit 6.24E1](#).

“duplicate members.” For duplicate members, the member ID with the highest qualifying arrears is the “primary member”; (s)he is the member submitted. MiCSES submits the combined qualifying arrears for all duplicate members under the primary member’s case and county, using the primary member’s address.¹⁹

4.2 Submission Errors

OCS will not submit NCPs with qualifying arrears for the Federal Offset Program if there are data problems known as pre-edit errors.²⁰

4.3 Pre-Offset Notice (PON)

An NCP must receive notification when (s)he is selected for submission for passport denial. The federal PON affords the NCP due process to contest the determination that the amount of past-due support is owed and to request an administrative review.²¹

4.4 Actual and Qualified Arrears

The Federal Exclusions tab on the *Tax Offset Information and Update* (TAXI) screen in MiCSES displays the NCP’s arrears amounts considered for the Federal Offset Program. Two arrears balances are displayed: *actual* and *qualified*.²²

Both amounts show only the arrears balances of the debt types that are eligible for submission for the Federal Offset Program. The qualified arrears amount is the amount certified for the Federal Offset Program, and may be different from the actual arrears amount. If a case contains an overall negative arrears amount, these negative arrears are included when calculating actual arrears for the overall arrears balance. When determining qualified arrears, however, cases with negative arrears are not included for submission.²³

Note: The TAXI screen lists the TANF and non-TANF arrears amounts separately; however, for passport denial, these amounts are combined to reach the submission threshold.

An NCP’s unpaid current support amount at the time of submission is not part of the calculation when determining qualified arrears.

¹⁹ Ref: Section 6.21 of the *Michigan IV-D Child Support Manual* for more information on duplicate members.

²⁰ Ref: Section 6.21 of the *Michigan IV-D Child Support Manual* for more information on submission errors.

²¹ Ref: Section 6.21 of the *Michigan IV-D Child Support Manual* for more information on the PON.

²² Ref: [MiCSES Screen Description: TAXI – Tax Offset Information and Update](#).

²³ Ref: [MiCSES Customer Information Guide: Tax Offset Process](#) for more information on actual and qualified arrears.

4.5 Federal Offset Program Processing

Case submittals for passport denial are continuous throughout the year. “Add,” “update,” and “delete” requests are generated from MiCSES via a batch process and submitted to OCSE weekly to accommodate increases and decreases in the NCP’s certified arrears balance.²⁴

Batch submissions are generally suspended for three weeks in November to allow for the federal “freeze period,” when OCSE conducts its year-end reconciliation with the federal Department of Treasury’s Financial Management Service and the U.S. Department of State.²⁵ The transmittal of Federal Offset Program data to OCSE (including exclusions) is suspended during this time.

The OCS Program Development Division will provide notification to IV-D workers via email prior to the start of the freeze period each year.

4.6 Exclusion Indicators²⁶

An NCP’s case may be excluded manually or automatically from submittal for passport denial. IV-D staff use the TAXI screen to view and, with the appropriate security permissions, change the exclusion indicator(s) for passport denial.²⁷ If an NCP’s case(s) is excluded from passport denial, the IV-D worker must set the passport exclusion indicator, PAS, to “Y” (Yes) on the TAXI screen for the qualifying case.²⁸

The exclusion indicator must be set for all of an NCP’s cases in order for him/her to be excluded from passport denial.

4.7 Rejection/Warning Errors

After OCS submits an NCP and his/her arrearages for the Federal Offset Program, OCS may receive a rejection or warning error from OCSE.²⁹ A rejection error indicates that the data has not been processed by OCSE, whereas a warning error indicates that the data has been processed, but there

²⁴ Ref: Subsection 4.4 of this manual section for information on the certified arrears balance.

²⁵ The OCS MiCSES Yearly Tax Refund Offset Program Projected Schedule includes the dates of the freeze period. It can be found on mi-support’s [Tax Refund Offset](#) page.

²⁶ Policy regarding when it is appropriate to exclude a case from passport denial will be addressed in a future publication of this manual section.

²⁷ Ref: Section 6.21 of the *Michigan IV-D Child Support Manual* for more information on exclusion indicators.

²⁸ Ref: [MiCSES Quick Reference Guide: View or Update a Case’s Federal or State Offset Program Exclusion Indicators](#).

²⁹ Ref: Section 6.21 of the *Michigan IV-D Child Support Manual* for more information on rejection/warning errors.

may be a discrepancy between the data sent by MiCSES and the data at OCSE.³⁰

4.8 Federal Child Support Portal³¹

The federal Child Support Portal provides two levels of access³² to passport denial information; Default View and Full Passport Denial.

4.8.1 Default View

IV-D workers with Default View access may use the Child Support Portal to view:

- An NCP's passport denial status;
- A list of other states denying the NCP's passport; and
- Passport denial "success stories."³³

4.8.2 Full Passport Denial

Full Passport Denial access provides the same information as the Default View but includes update capabilities.

OCS Central Operations staff working in the Passport Denial area and requiring Full Passport Denial access to complete their job duties must submit a *IV-D Program Request for Computer Access* (DHS-393) or a *IV-D Program Request for Changing Computer Access* (DHS-395) to gain access to the Portal or to additional applications on the Portal as described in Section 1.10 of the *Michigan IV-D Child Support Manual*.

OCS Central Operations staff with Full Passport Denial access will use the Passport Emergency Release function on the Child Support Portal to withdraw an NCP from passport denial in an emergency situation, or in a non-emergency situation when withdrawal must be expedited (e.g., during the OCSE freeze period,³⁴ at the request of OCSE, etc.).

OCS Central Operations staff must verify the exclusion indicator on MiCSES has been set appropriately before withdrawing the NCP from

³⁰ Ref: *MiCSES Customer Information Guide: Tax Offset Process* for a list of rejection and warning error codes.

³¹ The Child Support Portal was formerly known as the State Services Portal. Ref: [Section 3.06, "Federal Child Support Portal," of the Michigan IV-D Child Support Manual](#) for more information on the Portal.

³² Ref: [Section 1.10, "Confidentiality/Security," of the Michigan IV-D Child Support Manual](#) for the security authorization forms necessary for access to the Child Support Portal.

³³ States provide passport denial "success stories" to the OCSE. A successful passport denial situation is one in which the NCP makes a significant payment so (s)he will be released from passport denial.

³⁴ Ref: Subsection 4.5 of this manual section for more information on the freeze period.

passport denial via the Child Support Portal.³⁵ If the exclusion indicator on MiCSES has not been set appropriately, OCS Central Operations will contact the FOC passport denial contact person identified on mi-support's [Partner Contact Information](#) page to resolve the discrepancy.³⁶

OCS Central Operations staff **must not** certify an NCP for passport denial through the Child Support Portal since there will be no process to synchronize certifications done through MiCSES with those done via the Child Support Portal.³⁷

5. Centralization of Passport Actions

In May 2010, the Program Leadership Group (PLG) reviewed and supported a policy that allows each FOC office to have its passport actions handled by OCS Central Operations, or to handle those actions locally at the FOC level.

Passport actions that may be centralized include withdrawing NCPs from passport denial in both emergency and non-emergency situations, as well as negotiating with the NCP when payment is required to withdraw him/her from passport denial.

The PLG also supports statewide guidelines for withdrawing NCPs from passport denial. OCS Central Operations and all FOC offices will follow these guidelines.³⁸

If an NCP has multiple dockets and one of the dockets is in a county that has chosen to centralize its passport actions, OCS Central Operations will coordinate with all concerned FOC offices and lead negotiations with the NCP in any case where the NCP requests to pay less than 25 percent of his/her unpaid ordered amount for an employment-related withdrawal from passport denial³⁹ or any case that qualifies to deviate from the guidelines.⁴⁰

If an FOC office chooses to have OCS Central Operations handle its passport actions, an authorized FOC representative must send a completed, signed copy of the *Request for Centralized Passport Action* (DHS-317) form to OCS Central Operations. It may be faxed to 517-335-3030 or scanned and emailed to mdhhs-ocs-passport@michigan.gov.

Each FOC office will designate at least one staff member as the passport contact person. The name and contact information for each FOC office's passport contact person are published on mi-support's Partner Contact Information page. To help

³⁵ Ref: Subsections 6.1 and 6.2.2 of this manual section for more information on the process of excluding the NCP from passport denial during OCSE's freeze period or in an emergency situation.

³⁶ Ref: Subsection 5 of this manual section for more information on the passport denial contact person.

³⁷ Ref: Subsection 4.6 of this manual section for more information on updating exclusion indicators.

³⁸ Ref: Subsection 6 of this manual section for more information on the guidelines.

³⁹ Ref: Subsection 6.1.2 of this manual section for more information on employment-related withdrawal from passport denial.

⁴⁰ Ref: Subsection 6.3 of this manual section for more information on deviations from the guidelines.

expedite communication between offices, all FOC offices should keep their passport contact information current. Authorized FOC staff may update their information on mi-support's Partner Contact Information page.

6. Guidelines for Withdrawal From Passport Denial⁴¹

OCS recommends that IV-D staff carefully consider the withdrawal of any NCP from passport denial. IV-D workers have only limited opportunities to employ this enforcement remedy since military and diplomatic passports are effective for five years, and civilian passports are effective for 10 years. Military passports do not receive any special consideration under this policy.

An NCP's passport may be revoked (i.e., physically taken) when staff from the passport agency or U.S. Department of State have the passport in hand, such as when they are:

- Renewing an existing passport;
- Adding pages to an existing passport;
- Repairing/Reissuing a damaged passport;
- Changing a name or updating a picture; or
- Accepting an existing passport as proof of identification.

While statute allows the U.S. Department of State to revoke, restrict, or limit a passport previously issued to an individual, U.S. Department of State staff currently deny passports **only** at the time of initial application or renewal.

Withdrawing an NCP from passport denial at the time of application eliminates the effective use of the passport as an enforcement tool for that NCP for up to 10 years. This heightens the need to be diligent and conservative with withdrawal criteria. The only effective use of the passport as an enforcement tool is to deny the NCP's request for a new passport or to deny a request for the passport's renewal.

When an NCP requests to be withdrawn from passport denial, the IV-D worker will advise the NCP to pay the entire "unpaid ordered amount." The unpaid ordered amount includes all current support, as well as any court-ordered arrearage in MiCSES for all of the NCP's IV-D cases. *The unpaid ordered amount includes any arrearage that was **not** submitted to OCSE as a qualified arrearage for passport denial.* The unpaid ordered amount includes any non-IV-D debts on the IV-D cases.

While the NCP will be advised to pay the **entire** unpaid ordered amount, the NCP must be withdrawn from passport denial with payment in the amount of all

⁴¹ Withdrawal of an NCP from passport denial by IV-D staff does not guarantee that the U.S. Department of State will issue a passport to the NCP. Other debts/liens against the passport (e.g., federal student loans, other states' child support arrears, tax debt, etc.) will remain in effect until they are released by the issuing agencies of those liens, and they may preclude the issuance of the passport.

arrearages (for all dockets and cases) that were **qualified and submitted** for passport denial.⁴²

6.1 Non-Emergency Withdrawal

MiCSES automatically withdraws NCPs from passport denial once the NCP pays all qualified arrears in full.

If a IV-D worker must withdraw an NCP from passport denial due to a court order, or if there is an agreement with the NCP to accept a payment for withdrawal from passport denial, the IV-D worker may exclude the NCP from passport denial by setting the passport exclusion indicator.⁴³

Note: If a IV-D worker needs to request the non-emergency withdrawal of a passport during the federal freeze period,⁴⁴ (s)he may do so by faxing OCS Central Operations a completed copy of the *Emergency Notice of Withdrawal of Passport Denial* (DHS-318)⁴⁵ to 517-335-3030.

OCS Central Operations staff will then notify OCSE through the Passport Emergency Release function on the Federal Collections and Enforcement application on the Child Support Portal.⁴⁶

6.1.1 Vacation or Pleasure Trip

If an NCP asks that (s)he be withdrawn from passport denial, and (s)he is not seeking the passport for reasons of employment (i.e., the passport is wanted for a vacation, cruise, pleasure trip, “just because,” etc.), the IV-D worker will advise the NCP to pay 100 percent of his/her unpaid ordered amount and to update his/her address and any other relevant information (e.g., phone number, alternate address, etc.) the IV-D worker requests. If the NCP is employed and has a current support obligation, (s)he must also provide employer information for an income withholding notice (IWN).⁴⁷

The IV-D worker will instruct the NCP to make the full payment to the Michigan State Disbursement Unit (MiSDU). MiSDU staff will post the payment as an obligor receipt.

⁴² Ref: *MiCSES Screen Description: TAXI – Tax Offset Information and Update* for information on finding the amount of qualified arrears.

⁴³ Ref: Subsection 4.6 of this manual section.

⁴⁴ Ref: Subsection 4.5 of this manual section for more information on the freeze period.

⁴⁵ Ref: Subsection 6.2.2 of this manual section for instructions on completing and sending the DHS-318.

⁴⁶ Ref: Subsection 4.8 of this manual section for more information on the Child Support Portal and Subsection 6.2.2(B) for information on processing a request for the emergency withdrawal of a passport denial.

⁴⁷ Ref: [Section 6.03, “Income Withholding,” of the Michigan IV-D Child Support Manual](#).

6.1.2 Employment-Related Purpose

If the NCP requires his/her passport to accept a new job, because his/her current employer requires travel that necessitates the passport, or because the employer's location has changed, the IV-D worker will advise the NCP to pay 100 percent of his/her unpaid ordered amount.

If the NCP claims (s)he is unable to pay 100 percent of his/her unpaid ordered amount, upon review of assets and at the IV-D worker's discretion, the required payment will consist of all current support and not less than 25 percent of any unpaid ordered amount.

Note: If **25 percent of the entire unpaid ordered amount** is **greater than** the arrearage that was **qualified and submitted** for passport denial, IV-D staff will withdraw the NCP from passport denial with the payment of the **qualified and submitted arrearage**.

The NCP will be required to update his/her address and any other relevant information the IV-D worker requests. In addition, the NCP will be required to provide employer information for an IWN. The NCP must provide written verification on company letterhead of the job offer, the mandatory nature of travel for an existing job, or the change of employer location. The letter must also include a statement from the employer indicating that an IWN will be honored.

Under certain circumstances, the IV-D worker (either OCS Central Operations staff or FOC staff, depending on whether or not the local office chooses to centralize passport denial) **may** accept less than the required 25 percent payment **in an employment situation only**.⁴⁸

The IV-D worker will consider the NCP's assets and value before negotiating with the NCP to accept less than the required 25 percent payment. At his/her discretion, the IV-D worker **may** consider the following conditions as reasons to deviate from the statewide guideline and negotiate with the NCP a payment arrangement that pays less than 25 percent of his/her unpaid ordered amount:

- The NCP receives means-tested income;
- The NCP has low income or no income;
- Arrears accrued quickly (i.e., there was an order with an effective date prior to its entry date) within the past 24 months; there is no chance for total repayment yet, and/or regular payments are being made or have been made on the quickly accrued arrears;

⁴⁸ "Less than 25 percent" in this case does not mean "zero."

- The NCP has paid at least 90 percent of current support over the past 24 months;
- Regular payments on arrears have been collected in the past 12 to 24 months; and/or
- Any other factor deemed relevant to the best interests of the child.

If the NCP is negotiating to pay less than 25 percent of his/her unpaid ordered amount in an employment situation, the IV-D worker may consider supporting documentation, including but not limited to:

- Child support payment history in MiCSES; and/or
- Any of the following, provided by the NCP within 10 business days of the request for withdrawal from passport denial:
 - Two or three current pay stubs;
 - Employer statement (on company letterhead);
 - Bank account information;
 - SSI/RSDI⁴⁹ award letter;
 - Credit report; and/or
 - Proof of bankruptcy filing.⁵⁰

To minimize the possibility of coercive activity, IV-D staff will not consider a custodial party's statement in support of an NCP's request for negotiation.

If the NCP has multiple dockets and one of the dockets is in a county that has chosen to centralize its passport denial actions, OCS Central Operations will handle payment negotiations for that NCP.

OCS Central Operations will contact the passport contact person in all concerned non-centralized FOC offices (as listed on mi-support) to coordinate the negotiations when the NCP will be paying less than 25 percent of the unpaid ordered amount.

If a non-centralized FOC office chooses not to accept less than 25 percent of the unpaid ordered amount, the NCP may either choose to pay the 25 percent or attempt to negotiate directly with that county.

⁴⁹ SSI is Supplemental Security Income; RSDI is Retirement, Survivors, Disability Insurance.

⁵⁰ Bankruptcy itself is not a reason for exemption from enforcement; proof of filing may serve, in conjunction with other documentation, to show the NCP has no significant assets or meets another of the criteria for payment negotiation in an employment-related situation.

Example:

The NCP, Peter Smith, has two dockets. Docket 1 is in County X, which has chosen to centralize its passport denial actions. Docket 2 is in County Y, which has chosen to handle its passport denial actions locally. Peter Smith, upon being denied his passport by the U.S. Department of State, contacts OCS Central Operations because he needs his passport for an employment-related purpose.⁵¹

If Peter Smith is willing and able to pay at least 25 percent of the unpaid ordered amount (across both dockets, in both counties), no action is needed from County Y. Payment will be receipted at the MiSDU as an obligor payment and will allocate and distribute accordingly.

If Peter Smith is unable to pay at least 25 percent of his unpaid ordered amount and is able to provide documentation in support of his circumstances, OCS Central Operations will negotiate with him. In this example, Peter Smith and OCS Central Operations agree that a payment of 10 percent of his unpaid ordered amount will be sufficient to withdraw him from passport denial.

OCS Central Operations will contact County Y. If County Y agrees that 10 percent is acceptable, no further action is needed from County Y. Payment will be receipted at the MiSDU as an obligor payment and will allocate and distribute accordingly.

If County Y, however, determines that a 10 percent payment will not be acceptable, and chooses to require a payment of 25 percent of the unpaid ordered amount owed by Peter Smith in that county, Peter Smith must now negotiate directly with County Y after paying 10 percent of his unpaid ordered amount. This may result in County Y receiving both its allocated share of the 10 percent of all unpaid ordered amounts, as well as the 25 percent of unpaid ordered amounts owed in County Y.

6.2 Emergency Withdrawal

OCSE indicates that an emergency withdrawal from passport denial applies only to:⁵²

⁵¹ The OCS Central Operations phone number is the contact number that the U.S. Department of State provides to the NCP for Michigan, regardless of which county or counties the case(s) is in.

⁵² OCSE has six withdrawal reasons. However, OCS uses only the four reasons listed. OCS has not fully analyzed the reasons "This individual has an appointment today or within the next few days" and "This individual has not exceeded the minimum threshold for passport denial certification" to determine their proper use; therefore, these options must not be used by IV-D workers at this time. The DHS-318 does not include these two withdrawal reasons.

- A life-or-death situation (for the NCP or an immediate family member⁵³);
- An erroneous submittal of an SSN;
- Mistaken identity; or
- An NCP out of the country.⁵⁴

IV-D workers must exercise a coordinated effort to withdraw the NCP from passport denial in an emergency situation when the NCP has multiple cases in multiple FOC offices.⁵⁵

If the NCP has cases in multiple counties and one or more of those counties have OCS Central Operations handle their passport denial process, OCS Central Operations will act as the central point of contact with the NCP, contacting other offices as necessary.

6.2.1 Circumstances for Emergency Withdrawal⁵⁶

A. Life-or-Death Situation

In a life-or-death situation involving an immediate family member, the NCP will be asked to pay all unpaid ordered amounts; however, any payment will be sufficient. The NCP will be required to update his/her address and any other relevant information that the IV-D worker requests. The NCP will also be required to provide employer information for an IWV if (s)he is employed. Payment must be in the amount the NCP is capable of paying, at the discretion of the IV-D worker.

The NCP must provide documentation of the emergency. The following notifications are acceptable:

- A death certificate;
- A letter (in English) from a doctor; or
- A Red Cross notification for a medical emergency.

B. Erroneous Submittal of an SSN

An erroneous submittal of an SSN occurs when an individual is denied a passport for reasons of child support as a result of a state IV-D agency submitting a case with an incorrect SSN.

⁵³ The OCSE, per Dear Colleague Letter (DCL) 00-79, *DOS Passport Denial Procedures*, has defined "immediate family member" as a parent or guardian of an NCP, or an NCP's child (natural or adopted), grandparent, sibling, aunt, uncle, step-child, step-parent, step-sibling, or spouse.

⁵⁴ OCSE and the DHS-318 refer to this as "obligor out of the country."

⁵⁵ Ref: the Partner Contact Information page on mi-support.

⁵⁶ Ref: Subsection 6.2.2 of this manual section for information about the submission process for emergency withdrawal requests.

The individual who was incorrectly denied a passport will provide the IV-D worker with a copy of the Passport Denial Letter (s)he received from the U.S. Department of State. The IV-D worker will verify that the individual is not the NCP who owes the child support debt.

In an FOC office that has chosen not to centralize its passport denial actions, the IV-D worker must fax the Passport Denial Letter to OCS Central Operations at 517-335-3030, along with the verification of the individual's identity. For counties that have chosen to centralize their passport denial actions, OCS Central Operations will obtain the Passport Denial Letter from the NCP and verify his/her identity.

IV-D staff must correct the incorrect SSN that was submitted by MiCSES.⁵⁷ For FOC offices that have chosen to centralize their passport denial actions, OCS Central Operations will contact the FOC passport contact person identified on mi-support to request that the FOC complete the correction.

C. Mistaken Identity

Mistaken identity occurs when an individual's passport application receives a partial match against the U.S. Department of State database. This may cause the applicant to be denied a passport for reasons of child support, even if the individual has never been submitted to the Federal Offset Program.

The individual who was mistakenly denied a passport must fax to OCSE⁵⁸ a copy of the Passport Denial Letter (s)he received from the U.S. Department of State, along with his/her date of birth, place of birth, SSN, and a phone number for contact during business hours. After verifying the individual's identity, OCSE staff will fax a release letter to the U.S. Department of State, which will release the passport within 24 hours.

D. NCP Is Out of the Country

When an NCP who has been submitted for passport denial is out of the country and goes to a U.S. Embassy or Consulate to replace his/her passport, add pages to the passport, use it as identification, etc., the passport will be either denied at the time of application or revoked if the agent has the passport in hand. The NCP will be

⁵⁷ Ref: [Section 3.03, "Case Updates and Member Demographics," of the Michigan IV-D Child Support Manual](#) for instructions on changing the SSN in MiCSES.

⁵⁸ OCS Central Operations will provide OCSE's fax number if needed for this purpose.

issued a limited validity passport for one-way travel back to the United States.

Every U.S. citizen is entitled to return to the United States, even if (s)he cannot make satisfactory payment arrangements with the state(s) to repay his/her past-due child support. The limited validity passport may be valid for anywhere from a few days to several months, determined by the U.S. Embassy or Consulate officer. If the NCP wishes to travel again internationally, (s)he must apply for a replacement passport and pay the regular fee.

While the OCSE defines this situation as an emergency, the IV-D worker must process the emergency withdrawal only after the NCP has made payment arrangements consistent with his/her situation (e.g., vacation or employment-related).⁵⁹

6.2.2 Process for Emergency Withdrawal From Passport Denial⁶⁰

A. IV-D Staff Actions

IV-D staff requesting the emergency withdrawal of an NCP from passport denial must:

1. Manually exclude the NCP from passport denial via the TAXI screen.⁶¹
2. Complete the DHS-318 by:
 - a. Entering all of the identification information for the NCP/obligor, including name of obligor, SSN, date of birth, place of birth, obligor's telephone number, and regional passport agency, U.S. Embassy, or Consulate General;
 - b. Selecting the checkbox that identifies the reason for the emergency withdrawal of the NCP's passport;
 - c. Selecting the checkbox that identifies the type of arrangement the NCP made for the emergency withdrawal of the passport, including any payment arrangement information;
 - d. Describing the purpose and destination of travel; and
 - e. Attaching any required explanatory and corresponding documentation.

⁵⁹ Ref: Subsection 6.1.1 of this manual section for vacation situations and Subsection 6.1.2 for employment-related situations.

⁶⁰ This process is also used for non-emergency withdrawal from passport denial during the federal freeze period. See Subsections 4.5 and 6.1 of this manual section.

⁶¹ Ref: Subsection 4.6 of this manual section.

3. Submit the DHS-318 to OCS Central Operations.

FOC offices that have not centralized their passport actions will complete the DHS-318, leaving the IV-D director signature line blank, and send the form to:

Michigan Department of Health and Human Services
Office of Child Support – Central Operations
Attn: Tax Offset/Passport Denial
PO Box 30478
Lansing, MI 48909

Fax: 517-335-3030

Email: mdhhs-ocs-passport@michigan.gov

FOC workers must not send the completed form directly to OCSE. Forms submitted by FOC workers to the OCSE will not be processed; OCSE will only process emergency passport releases submitted by OCS Central Operations staff because they are the designees of the IV-D Director.

B. OCS Central Operations Actions

OCS Central Operations staff will review the DHS-318 for completeness and proper documentation, and will approve or reject the request.

1. Approval of the Request

After approving the DHS-318, OCS Central Operations staff must sign the form and enter the information from the DHS-318 in the Child Support Portal FCE application through the Passport Emergency Release function.⁶² The Passport Emergency Release function requires the requester to select the reason for the emergency release from six provided options. OCS Central Operations staff must select the appropriate reason in the Child Support Portal FCE application as provided on the DHS-318.⁶³

⁶² Ref: Subsection 4.8 of this manual section for more information on the Child Support Portal. [OCSE Federal Parent Locator Service Federal Collections and Enforcement System Release 14-02 – Minor](#) for information on requesting an emergency passport withdrawal on the Child Support Portal.

⁶³ The Passport Emergency Release function lists two additional options for emergency release: “This individual has an appointment today or within the next few days” and “This individual has not exceeded the minimum threshold for passport denial certification.” OCS has not analyzed these options yet to determine their proper use; therefore, these options must not be used by IV-D workers at this time.

Reason on the DHS-318	Reason in the Child Support Portal Application
Life or Death Situation	The individual needs a passport due to a family emergency
Erroneous Submittal of SSN	The state Child Support Enforcement agency submitted the SSN in error
Mistaken Identity	This individual does not have and never had a child support case with the Federal Office of Child Support
Obligor Out of Country	This individual has an application at either the Special Issuance Passport Agency or an Embassy

After submitting the emergency withdrawal of passport denial on the Child Support Portal, OCS Central Operations staff must scan and retain a copy of the DHS-318 in a secure file. Upon receipt of the emergency withdrawal, OCSE staff will exclude the case in their files and fax a release letter to the U.S. Department of State, which will release the hold on the passport within 24 hours.

The NCP may still be submitted for passport denial since the emergency withdrawal request does not remove the NCP from the submission process. After verifying that the exclusion indicator on MiCSES has been set appropriately, OCS Central Operations staff will also update the Passport Denial function in the Child Support Portal's FCE application to reflect that the NCP will no longer be submitted to OCSE for passport denial.

2. Rejection of the Request

OCS Central Operations staff may reject a DHS-318 and return it to the requesting FOC worker. Reasons for rejection may include the following:

- Required fields are not complete;
- Required documentation is not attached; and/or
- If occurring outside of the freeze period, the request does not meet the requirements identified as a life-or-death situation, erroneous submittal, mistaken identity, or NCP out of the country.

IV-D workers with questions regarding this process should contact OCS Central Operations staff by phone at 517-241-2922, or via email at mdhhs-ocs-passport@michigan.gov.

6.3 Deviations From Guidelines

When specific case conditions are not identified and are not addressed by the state passport guidelines, the IV-D worker may proceed to deviate from the guidelines as local policy allows. All reasons for deviation, along with any supporting documentation, must be accurately recorded in MiCSES on the *Notes Processor* (NOTE) screen.

If an NCP has multiple dockets and one of the dockets is in a county that has chosen to centralize its passport actions, OCS Central Operations will coordinate with all concerned FOC offices and lead negotiations with the NCP.

7. Reports

MiCSES generates reports to assist IV-D staff in maximizing processing and collections for the Federal Offset Program, including reports identifying NCPs who will not be submitted to the Federal Offset Program due to the individual/case(s) not meeting certain requirements.⁶⁴

SUPPORTING REFERENCES:

Federal

11 USC 362

42 USC 652(k)

42 USC 654(31)

45 CFR 301.1

PL 97-35, Section 2331

PL 98-378

PL 109-171

DRA

Bankruptcy Abuse Prevention and Consumer Protection Act of 2005

Intelligence Reform and Terrorism Prevention Act of 2004

OCSE AT-10-04

OCSE DCL-00-79

State

MCL 552.511(2)

⁶⁴ Ref: Section 6.21 of the *Michigan IV-D Child Support Manual*.

REVISION HISTORY:

[IV-D Memorandum 2020-007](#)

IV-D Memorandum 2017-021

IV-D Memorandum 2015-006

IV-D Memorandum 2012-007

IV-D Memorandum 2011-008